

City of Detroit

CITY COUNCIL

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TO: Paula Gentius-Harris, Esq., Executive Director
Cable Commission

FROM: Irvin Corley, Jr., Fiscal Analysis Director *ly.*

DATE: May 2, 2005

RE: 2005-2006 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2005-2006 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:cyb

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Roger Short, Budget Department Director
Ronald Chenault, Budget Department Team Leader
Sean Werdlow, Chief Financial Officer
Carolyn Williams Meza, Chief Operating Officer
Kandia Milton, Mayor's Office

Cable Commission

FY 2005-2006 Budget Analysis by the Fiscal Analysis Division

The mission of the Detroit Cable Communications Commission (DCCC) is to ensure the delivery of efficient and cost effective cable television and telecommunications systems to the residential and business communities of the City of Detroit.

The DCCC has two functions: administration and regulation; operation of the government and educational access channels.

The Mayor's 2005-06 Recommended Budget moves the Cable Commission from within the Non-Departmental Budget (a move we would support) and combines the Cable Commission with a portion (public information staff) of the Communication and Creative Services Department (CCSD) into the newly proposed "Communications Department". The Total Copy Center, a division of the current CCSD is moved to the Information Technology Services Department.

Summary

Until now the DCCC was not an official department and the program's appropriations were included in the Non-Departmental budget. If the Mayor's recommendation prevails the DCCC will become an agency, all be it, possibly combined with CCSD staff.

Appropriations budgeted for the combined programs of the DCCC and CCSD publicists staff total \$2,597,322 million, a \$412,501 decrease. The budgeted revenue for franchise fees is \$4.6 million, a decrease of \$155,000. This is a 2.4% decrease in revenue.

	2004-05 Budget	2005-06 Recommended	Increase/ (Decrease)
Cable Commission	\$ 1,457,646	\$ 951,915	\$ (505,731)
Government Access	590,487	652,389	61,902
CCSD Public	<u>2,209,772</u>	<u>993,018</u>	<u>(1,216,754)</u>
Combined Total	\$ 4,257,905	\$ 2,597,322	\$ (1,660,583)

Personnel and Turnover Savings

Appropriation/Program	Budgeted Positions FY 2004-05	Filled Positions 3/31/2005	Mayor's Budget Positions FY 2005-06	Over/(Under) Actual to 04/05 Budget	Mayor's Recommended Turnover
Communication Department (15):					
150010 Communication	18	15	8	(3)	\$ -
150020 Communication & Creative Services	3	6	0	3	\$ -
00120 Public Info. & Promotional Service	21	21	8	0	\$ -
00878 Government Access	0	0	2	0	\$ -
11829 Cable Commission	0	0	7	0	\$ -
TOTAL	<u>21</u>	<u>21</u>	<u>17</u>	<u>0</u>	<u>\$ -</u>

Combined Detail Position Listing

	2004-05 Budget	2005-06 Recommended	Increase/ (Decrease)
Cable Commission			
Director Cable Commission	1	0	(1)
Deputy Director – Cable Commission	1	0	(1)
Contract Compliance Mgr	1	1	0
Comm Spec III – DCCC	4	4	0
Comm Spec I – DCCC	0	1	1
Secretary – DCCC	1	1	0
Senior Steno –DCCC	<u>1</u>	<u>0</u>	<u>(1)</u>
Total	9	7	(1)
Government Access/Education			
Chief Engineer – DCCC	1	1	0
Comm Spec I - Cable	<u>0</u>	<u>1</u>	<u>1</u>
Total	1	2	1
CCSD			
Director – CCSD	1	1	0
Deputy Director – CCSD	1	0	(1)
Deputy Director – Cable Commission	0	1	1
Administrative Asst GD II	1	1	0
Supervising Publicist I	2	1	(1)
Sr. Prom Acct Asst	1	0	(1)
Supervising Photographer	1	0	(1)
Web Editor	1	0	(1)
Principal Graphic Designer	1	0	(1)
Graphic Designer	3	0	(3)
Publicist II	3	4	1
Publicist I	1	0	(1)
Executive Secretary I	1	0	(1)
Office Assistant III	<u>1</u>	<u>0</u>	<u>(1)</u>
Total	18	8	(10)
Combined Total	28	18	(10)

The DCCC currently has 10 positions and there are 18 in CCSD division. The Mayor is recommending a total of 17 for next year. DCCC also has approximately 20 personal service contract employees.

Professional and Contractual Services:

Communication Department (15)

Budgeted Professional and Contractual Services by Activity	FY 2004-05 <u>Budget</u>	FY 2005-06 <u>Recommended</u>	Increase <u>(Decrease)</u>
Public Information & Promotional Services	\$ 84,841	\$ 62,000	\$ (22,841)
Cable Commission	\$ -	\$ 165,000	\$ 165,000
Government/Education Access	\$ -	\$ 468,500	\$ 468,500
Total	<u>\$ 84,841</u>	<u>\$ 695,500</u>	<u>\$ 610,659</u>

Issues and Questions

1. The Ordinance States:

Sec. 9.5-2-3. Executive and deputy director.

The cable communications commission shall designate, subject to the approval of council, an executive director and a deputy director who shall serve at the pleasure of the commission, and to whom the commission may delegate any of its administrative powers and authorizations. The commission may also appoint staff as necessary.

(Ord. No. 440-H, § 1(61A-2-1(b)), 4-29-81; Ord. No. 495-H, § 1, 3-17-82)

The Mayor's Recommendation eliminates the Cable Commission Director and retains the Director – CCSD (Mayoral appointment). This is not be in compliance with the ordinance and would remove the independence of the Cable Commission. We support taking the Cable Commission out of the Non-Departmental Budget and establishing a department for the activity. However, the Cable Ordinance should determine the selection of the director and deputy. Council should consider elimination of, rather than the combining of the staff from CCSD. Financial resources are needed to provide core services, not publicity of services provided. The citizens are in a position to know what services they are receiving.

The legal question that may need to be addressed, Can an ordinance establish a department without giving the Mayor the ability to appoint the director, and the director having the ability to appoint a deputy with the approval of the Mayor? Can the ordinance establish a department and the method of appointment of the director and deputy, or is it necessary to continue the practice of having Cable as an appropriation in another agency as it has been in the past?

IC:JGP